



DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

**Petition for Exemption from the
Vehicle Theft Prevention Standard;
FORD MOTOR COMPANY**

AGENCY: National Highway Traffic Safety Administration (NHTSA),
Department of Transportation (DOT).

ACTION: Grant of petition for exemption.

SUMMARY: This document grants in full the Ford Motor Company's (Ford) petition for an exemption of the Edge vehicle line in accordance with §543.9(c)(2) of 49 CFR Part 543, Exemption from the Theft Prevention Standard. This petition is granted because the agency has determined that the antitheft device to be placed on the line as standard equipment is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541). Ford also requested confidential treatment of specific information in its petition. The agency will address Ford's request for confidential treatment by separate letter.

DATES: The exemption granted by this notice is effective beginning with the 2014 model year.

FOR FURTHER INFORMATION CONTACT: Ms. Deborah Mazyck, Office of International Policy, Fuel Economy and Consumer Programs, NHTSA, 1200 New Jersey Avenue, S.E., Washington, D.C. 20590. Ms. Mazyck's telephone number is (202) 366-4139. Her fax number is (202) 493-2990.

SUPPLEMENTAL INFORMATION: In a petition dated October 15, 2012, Ford requested an exemption from the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541) for the MY 2014 Ford Edge vehicle line. The petition requested an exemption from parts-marking pursuant to 49 CFR Part 543, *Exemption from Vehicle Theft Prevention Standard*, based on the installation of an antitheft device as standard equipment for an entire vehicle line.

Under §543.5(a), a manufacturer may petition NHTSA to grant exemptions for one vehicle line per model year. In its petition, Ford provided a detailed description and diagram of the identity, design, and location of the components of the antitheft device for the Edge vehicle line. Ford stated that the 2014 Edge will be equipped with the Ford SecuriLock device (also known as the Passive Antitheft System or PATS) as standard equipment or the Ford Intelligent Access with Push Button Start (IAwPB) antitheft device as optional equipment. Ford further stated that the Edge vehicles with base trim (SE) will only be offered with PATS. However, the entire vehicle line will be installed with a passive, electronic immobilizer device using encrypted transponder technology. Key components of the Securilock/PATS antitheft device will include an electronic transponder key, powertrain control module, transceiver module, ignition lock, and a passive immobilizer. Key components of the IAwPB device are electronic keyfob, remote function actuator (RFA), body control module (BCM) or Smart Power Distribution Junction Box (SPDJB), the PEPS/RFA module, the power train control module and a passive immobilizer. Ford stated that its MY 2014 Edge vehicle line will also be equipped with several other standard antitheft features common to Ford vehicles (i.e., hood release located inside the vehicle, counterfeit resistant VIN labels and secondary VINs, cabin accessibility only with the use of a valid key fob or keycode). Ford further stated that there will also be a separate perimeter alarm

available on its Edge vehicle line. The perimeter alarm activates a visible and audible alarm if unauthorized access is attempted. Ford's submission is considered a complete petition as required by 49 CFR 543.7, in that it meets the general requirements contained in §543.5 and the specific content requirements of §543.6.

In the SecuriLock device, when the ignition key is turned to the "Run/Start" position, the transceiver module reads the ignition key code and transmits an encrypted message from the keycode to the control module, which then determines key validity and authorizes engine starting by sending a separate encrypted message to the powertrain control module (PCM). In the IAwPB device, when the "StartStop" button is pressed, the transceiver module reads the key code and transmits an encrypted message from the keycode to the control module to determine validity and authorizes engine starting by sending a separate encrypted message to the body control module (BCM), and the PCM. Ford stated that the powertrain will function only if the keycode matches the unique identification keycode previously programmed into the BCM/RFA. In both devices, if the codes do not match, the vehicle will be inoperable. Ford pointed out that in addition to the programmed key, there are three modules that must be matched together in order to start the vehicle adding even an additional level of security to the IAwPB device.

In addressing the specific content requirements of 543.6, Ford provided information on the reliability and durability of its proposed device. To ensure reliability and durability of the device, Ford conducted tests based on its own specified standards. Ford provided a detailed list of the tests conducted and believes that the device is reliable and durable since the device complied with its own specified requirements for each test.

Ford also stated that incorporation of several features in both devices further supports reliability and durability of the devices. Specifically, some of those features include: encrypted

communication between the transponder, control function and the power train control module; no moving parts; 18 quintillion possible codes making key duplication virtually impossible; inability to mechanically override the device to start the vehicle; and the body control module/remote function actuator and the power train control module share security data that during vehicle assembly form matched modules that if separated from each other will not function in other vehicles.

Ford compared the device proposed for its vehicle line with other devices which NHTSA has determined to be as effective in reducing and deterring motor vehicle theft as would compliance with the parts-marking requirements. Ford stated that it believes that the standard installation of either the SecuriLock device or the IAWPB device would be an effective deterrent against vehicle theft.

Ford stated that it installed the SecuriLock device on all MY 1996 Ford Mustang GT and Cobra models and other selected models. Ford stated that in the 1997 model, the SecuriLock device was extended to the complete Ford Mustang vehicle line as standard equipment. Ford also stated that according to the National Insurance Crime Bureau (NICB) theft statistics, MY 1997 Mustangs installed with the SecuriLock device showed a 70% reduction in theft rate compared to the MY 1995 Mustangs.

Ford also reported that beginning with MY 2010, the SecuriLock device was installed as standard equipment on all of its North American Ford, Lincoln and Mercury vehicles but was offered as optional equipment on its 2010 F-series Super Duty pickups, Econoline and Transit Connect vehicles. Ford further stated that beginning with MY 2010, the IAWPB was standard equipment on the Lincoln MKT vehicles and starting with MY 2011, the device was offered as standard equipment on the Lincoln MKX and optionally on the Lincoln MKS, Taurus, Edge,

Explorer and the Focus vehicles. Starting with 2013, the IAwPB was offered as standard equipment on the Lincoln MKZ and offered as optional equipment on the Ford Fusion, C-Max and Escape vehicles. Theft rate data is not available for model years' (MYs') 2011-2013.

Ford stated that both antitheft devices are of the same design and performance as that of the MY 2011 Ford Explorer vehicle line. Ford was granted an exemption for the Explorer vehicle line on May 28, 2010 by NHTSA (See 75 FR 30103) beginning with its MY 2011 vehicles. Since the agency granted Ford's exemption for its MY 2011 Explorer vehicle line, there has been no available theft rate information for this vehicle. The Explorer was granted an exemption from the parts marking requirements on May 28, 2010 (75 FR 30103). Ford also referenced theft rate data published by NHTSA showing that the theft rates for the Edge is lower than the median theft rate for all vehicles from MY's 2000-2009. Ford stated that since the SecuriLock or the IAwPB devices are the primary theft deterrents on Ford Edge vehicles, it believes that the very low theft rates are likely to continue or improve in the future. The theft rate data for the MY 2010 Ford Edge is 0.8783 and the average theft rate using three MYs' (2008-2010) data is 1.1655.

The agency agrees that the device is substantially similar to devices installed on other vehicle lines for which the agency has already granted exemptions.

Pursuant to 49 U.S.C. 33106 and 49 CFR 543.7 (b), the agency grants a petition for exemption from the parts-marking requirements of Part 541 either in whole or in part, if it determines that, based upon substantial evidence, the standard equipment antitheft device is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of Part 541. The agency finds that Ford has provided adequate reasons for its belief that the antitheft device for the Ford Edge vehicle line is likely to be as

effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541). This conclusion is based on the information Ford provided about its device.

Based on the supporting evidence submitted by Ford on the device, the agency believes that the antitheft device for the Edge vehicle line is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541). The agency concludes that the device will provide the five types of performance listed in §543.6(a)(3): promoting activation; attracting attention to the efforts of unauthorized persons to enter or operate a vehicle by means other than a key; preventing defeat or circumvention of the device by unauthorized persons; preventing operation of the vehicle by unauthorized entrants; and ensuring the reliability and durability of the device.

For the foregoing reasons, the agency hereby grants in full Ford's petition for exemption for the Edge vehicle line from the parts-marking requirements of 49 CFR Part 541. The agency notes that 49 CFR Part 541, Appendix A-1, identifies those lines that are exempted from the Theft Prevention Standard for a given model year. 49 CFR Part 543.7(f) contains publication requirements incident to the disposition of all Part 543 petitions. Advanced listing, including the release of future product nameplates, the beginning model year for which the petition is granted and a general description of the antitheft device is necessary in order to notify law enforcement agencies of new vehicle lines exempted from the parts-marking requirements of the Theft Prevention Standard.

If Ford decides not to use the exemption for this line, it must formally notify the agency. If such a decision is made, the line must be fully marked according to the requirements under 49 CFR Parts 541.5 and 541.6 (marking of major component parts and replacement parts).

NHTSA notes that if Ford wishes in the future to modify the device on which this exemption is based, the company may have to submit a petition to modify the exemption. Part 543.7(d) states that a Part 543 exemption applies only to vehicles that belong to a line exempted under this part and equipped with the antitheft device on which the line's exemption is based. Further, Part 543.9(c)(2) provides for the submission of petitions "to modify an exemption to permit the use of an antitheft device similar to but differing from the one specified in that exemption."

The agency wishes to minimize the administrative burden that Part 543.9(c)(2) could place on exempted vehicle manufacturers and itself. The agency did not intend in drafting Part 543 to require the submission of a modification petition for every change to the components or design of an antitheft device. The significance of many such changes could be *de minimis*. Therefore, NHTSA suggests that if the manufacturer contemplates making any changes, the effects of which might be characterized as *de minimis*, it should consult the agency before preparing and submitting a petition to modify.

Authority: 49 U.S.C. 33106; delegation of authority at 49 CFR 1.50.

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Christopher J. Bonanti
Associate Administrator for
Rulemaking

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